

Office Men

• UNITED STATES GOVERNMENT

TO : Mr. Nichols

FROM : M. A. Jones

SUBJECT: FULTON LEWIS, JR., RADIO BROADCAST
SEPTEMBER 6, 1955

DATE: September 7,
1955

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 7-26-89 BY 0088313482

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Mr. Lewis devoted most of his broadcast to a discussion of the Ford Foundation. He started off by stating that some very interesting developments had taken place during the last 24 hours regarding the Ford Foundation, specifically an announcement last night of the formation of a huge scholarship foundation fund with headquarters in Chicago to finance college educations for worthy and promising young students who could not otherwise afford them. The Ford Foundation has contributed \$20,000,000, the Carnegie Foundation \$500,000, the Sears Roebuck Foundation \$600,000 and Time, Inc., \$30,000, for a total of \$21,130,000. He said \$1,000,000 a year would be spent in the next four years financing scholarships of \$6,000 each for a four-year scholarship period. Another \$8,000,000 would be available to be matched by business, industry and individuals in contributions for additional scholarships, thus making a potential of \$26,000,000.

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He said the announced objectives of the scholarship fund were to locate the most able youth to make it possible for them to get a college education regardless of their financial needs and finally to make it easy for business to contribute effectively to higher education.

NOT RECORDED

44 SEP 15 1955

Mr. Lewis stated this was all very admirable and very commendable and it would certainly appear so far as the Ford Foundation is concerned; that this is an effort to redeem itself somewhat in the public eye for some of the things it has done in the past and some of the contributions it has made in the past, notably among them a gift of \$15,000,000 to the so-called "Fund for the Republic," which is being used essentially for left wing propaganda along the lines of the ADA (Americans for Democratic Action), the CIO Political Action Committee and the general official line of the Communist Party. This at least is a project for the general public welfare of the U. S. It is a worthy follow-up to the \$50,000,000 grant of Ford Foundation about a year ago to improve the salaries of school and college teachers of the Nation. Worthy, that is to say, if it is administered legitimately, but the word is broad when it says that students might qualify through aptitude testing "and other means." This leaves it wide open and finally dependent upon the individuals who administer the program. Mr. Lewis then stated that the Board of Directors had not yet been announced, but the chairman of the board had been announced as Mr. Lair Bell of Chicago, who will be chairman of the board of the new fund. He said Lair Bell was a classmate of the late Franklin D. Roosevelt and a close friend and admirer of Franklin D. Roosevelt; that Bell was also a close friend and admiring

58 SEP 20 1955

cc - Mr. Nichols

cc - Mr. Boardman

cc - Mr. Belmont

cc - Mr. Jones BMS:nma

21 SEP 15 1955

GATSON

Memo to Mr. Nic

ember 7, 1955

Robert Hutchins when Hutchins was Chancellor at the University of Chicago. He said Bell was a member of the Board of Trustees at the University of Chicago from the time Hutchins was appointed until 2 years after Hutchins left in 1951 to go to the Ford Foundation. Lewis said that Bell spent some time on the witness stand defending Hutchins and insisting there was no Communist infiltration on the campus of the University of Chicago at the time the University was under investigation by the Broyles (phonetic) Committee.

~~Bell~~
Mr. Lewis further stated that the name of Laird appeared on the letterhead of the "Committee for an Effective Congress" and that he supported the rather shadowy activities of Senator Ralph Flanders of Vermont and supported Senator Flanders' activities in the Army - McCarthy investigation. Bell defended Alger Hiss. He was at one time president of the English-speaking Union, president of the Chicago Council on Foreign Relations and is now on the Board of Trustees of Harvard University. He has been a violent opponent of Congressional committees investigating Communist and other subversive activities as far back as the Dies Committee. He said Bell opposed violently the firing of teachers who took the Fifth Amendment. In 1953, he was chairman of a dinner committee to welcome Adlai Stevenson back to Chicago from his trip around the world. Despite his Partisan activities and the further fact that Bell is listed as a Democrat in "Who's Who in America," plus the fact that he contributed \$1,000 to the Senatorial Campaign Fund of Democratic Senator Douglas of Illinois a year ago, President Eisenhower appointed Mr. Laird Bell a member of the U. S. Advisory Commission on Educational Exchange in February of this year and just this last July appointed him as an alternate U. S. delegate to the United Nations. Mr. Lewis ^{then stated} that seems to tell the story of the head of this new \$20,000,000 scholarship fund. C.L.F.

Mr. Lewis further stated that in the meantime, the grant of \$25,000 by the Fund for the Republic out of its \$15,000,000 Ford Foundation Fund to Stanford University for "analysis of the testimony of witnesses in proceedings relative to Communism" which was to cover such witnesses as Elizabeth Bentley, and others, the Fund for the Republic was running into trouble. He said the Dean of Stanford had made this deal without the consent of the Board of Directors of Stanford University. He then named the Dean as Carl B. Spaeth ~~as Spaeth~~. He said the agreement was that Herbert Packer would join the Stanford University Law Faculty in January 1, and would administer the proposed investigation for the Fund for the Republic, but the thing that had overlooked was the fact that the Board of Directors would have to approve the appointment of Herbert Packer and they were merely going to take no action of approval, and Packer would not then be able to go on the faculty and thus would not be able to run the survey.

RECOMMENDATION:

None. For information.

JBN
JAN

copy/dpg



Classification
August 31, 1955

The Attorney General

Director, FBI

WASHINGTON REPORT
SYNDICATED COLUMN OF
FULTON LEWIS, JR.

Fund for the Republic

I thought you would be interested in the attached Photostat which is an advance release of Fulton Lewis, Jr.'s syndicated column Washington Report, dated August 30, 1955, which will be published on August 31, 1955.

Enclosures

CC - Mr. William P. Rogers (with copy of enclosure)
Deputy Attorney General

CC - Assistant Attorney General (with copy of enclosure)
William F. Tompkins.

CC - Mr. Belmont, with copy of enclosure
CC - Mr. Nichols, with 6 copies of the enclosures

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ALL INFORMATION CONTAINED
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DATE 1-26-99 BY 2038573108

INDEXED - 32

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94-4-2189-190

August 24, 1955

PERSONAL AND
CONFIDENTIAL

Mr. Fulton Lewis, Jr.
Room 811, Barr Building
912 17th Street, Northwest
Washington, D. C.

DECLASSIFIED BY
ON 7-26-87

Dear Fulton:

I want to congratulate you on the wonderful job you are doing on your evening program in apprising the public of the facts with regard to the Fund for the Republic.

It is indeed heartening to see you take the wraps off and present the whole situation in such a straightforward manner. All too often the people are victimized by high-sounding aims and ideals which distort and cloud the real truth, and it is about time that we call a spade a spade.

Keep up your good work. There is no room for public apathy where such vital issues are concerned, and your broadcasts are serving a real need.

With warmest regards,

Sincerely,

NOTE: On his broadcasts on 8/22 and 23/55, Lewis discussed the Fund for the Republic, the so-called public service organization financed by the Ford Foundation. He discussed primarily the \$25,000 grant by the Fund to Leland Stanford University for "analysis of the testimony of witnesses in proceedings relative to Communism." He felt that this is an obvious attempt to discredit the witnesses and help the Communist cause.

Tolson
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Nichols
Belmont
Turbo
Ward
Searls

ML

(ONLY FOR PAPERS PURCHASING LEWIS COLUMN. OTHERS MUST NOT USE.)

(CAUTION: ADVANCE ~~LEWIS~~ COLUMN FOR RELEASE WEDNESDAY, AUGUST 31,

A.M. AND P.M. PAPERS. MUST NOT BE PUBLISHED BEFORE THAT DATE.)

ALL INFORMATION CONTAINED

WASHINGTON REPORT

HEREIN IS UNCLASSIFIED
8/31/51 J.L.

DATE 126-89 (COPYRIGHT, 1955, KING FEATURES SYNDICATE, INC.)

WASHINGTON, Aug. 30 -- Ever since it was written into the Constitution in 1791, the Fifth Amendment has been a wholly justified vehicle to prevent individuals from being forced to testify against themselves.

It is part of the "Bill of Rights," which constitutes the cornerstone of the heritage of freedom for all Americans. With that concept there can be no quarrel, except from those who adhere to some form of totalitarianism such as Communism, under which there are no civil rights or liberties for anyone.

But traditionally, the Fifth Amendment has been a valid refuge only for those who had done something which they feared might, if brought into the open, subject them to prosecution. It was never intended to be a means whereby, out of mere whim or caprice, a witness could refuse to answer questions posed in a legally constituted court or investigative body.

Therefore, the concept of leading attorneys throughout this country's history always has been that if a witness refused to answer on grounds of the Fifth Amendment, and it was shown that actually the refusal was simply stubbornness without fear of possible prosecution, the witness might be subject to contempt prosecution.

The left wing presently is stepping up its well-organized campaign to subvert the Fifth Amendment and the traditional concept of what it is intended to safeguard. Liberals now are seeking to beguile the public into believing that it is, and always has been, perfectly proper for anyone to refuse to answer questions on grounds of the Fifth Amendment regardless of whether they actually fear any possible prosecution; that it is proper for a witness to refuse to answer questions, on grounds of the Fifth Amendment, simply because he does not like the tenor of the questions; and that citing the Fifth Amendment should not be construed as any indication whatsoever that the witness actually has anything to hide.

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By Fulton Lewis, Jr.

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One of the most ardent advocates of this new theory is Erwin N. Griswold, dean of the Harvard University Law School who recently wrote a book entitled "In Defense of the Fifth Amendment Today." Thirty-five thousand copies of the book have been distributed by the anti-anti-Communist Fund for the Republic to judges and attorneys throughout the country, obviously in hopes of enlisting additional adherents to this new theory. By sheer coincidence, Dean Griswold happens to be a member of the board of directors of the Fund for the Republic.

Although there was little or no mention of the incident in most newspapers, Griswold met somewhat of a comeuppance during last week's Philadelphia meeting of the American Bar Association during a debate on "Lawyers and the Fifth Amendment" before the ABA's committee on bar activities. His opponent was Tracy E. Griffin, prominent Seattle attorney and member of the ABA committee to study Communist strategy, tactics and objectives.

Of Griswold's book, Griffin declared its reasoning was not sound and that it "is now relied upon by the Fifth Amendment Communists, fellow-travellers, pseudo-liberals and international-one-worlders as though it constituted a gold-leaf edition of the Communist Manifesto."

Griffin specifically disagrees with Griswold's thesis that invoking the Fifth Amendment is a basic right of any citizen, and adds: "To a layman, the refusal to answer a material question on the ground that it may tend to incriminate him is an admission of guilt of some crime."

To this layman, truer words were never spoken.

Griswold's rather lame reply included the comment that he would consider the nature of the tribunal before which a witness was speaking, and that he would draw a distinction between judicial inquiries and what he called "bad Congressional proceedings."

Congress is the proper body to determine whether its proceedings are good or bad; such a determination is far beyond the scope and jurisdiction of Dean Griswold, no matter how highly he may regard himself, or of any witness. Protests should go to Congress itself.

More power to Tracy Griffin's efforts to maintain the Fifth Amendment's traditional basis.

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. L. V. Boardman *8/24/55*

FROM : Mr. A. H. Belmont

SUBJECT: HERBERT L. PACKER
FUND FOR THE REPUBLIC (100-391697)

DATE: August 24,
1955

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 An article in the August 22, 1955, issue of the "Washington Post and Times Herald" captioned "Republic Fund Helps Stanford Study Witnesses' Testimony on Communism" related that the Fund for the Republic disclosed the previous day it had given the School of Law at Stanford University a \$25,000 grant to study and analyze the testimony of leading witnesses on Communism. The article further related that the study will be directed by Herbert Packer, a member of the New York and Supreme Courts Bars, who will work in Washington until January 1 and later as a member of the Stanford faculty.

A review of Bureau files reflects no investigation or identifiable derogatory information concerning Herbert L. Packer. Our records indicate Packer is a member of the Fund for the Republic's four-man Advisory Committee on Case Studies in Personnel Security.

H. L. P. Martindale - Hubbell Law Directory, 1955, reflects that Packer was born in Jersey City, New Jersey, on July 24, 1925; received a B.A. degree from Yale University in 1944 and an LL.B. degree also at Yale in 1949; was Assistant Instructor in Law, Yale University, during 1948 and 1949; was admitted to the New York Bar in 1950; is currently an associate member of the law firm of Cox, Langford, Stoddard and Cutler, 1625 Eye Street, Northwest, Washington, D. C.

ZENCE
Deparvill Available information reflects that Oscar Cox, a member of the above law firm, is the subject of a closed Security Matter - C investigation instituted in February, 1954, at the request of the Air Force under the Delimitations Agreement inasmuch as Cox was a civilian employee of the Kaiser Aluminum and Chemical Corporation, Oakland, California, an Air Force contractor. Investigation

Enclosure

RECORDED-27

100-391697-163

INDEXED-27

10 SEP 19 1955

cc - Mr. Nichols
 cc - Mr. Boardman
 cc - Mr. Belmont

cc -
 cc - Section Tickler

cc -

MSC:dae (7)

CX-12A

FOR APPROVAL
SENT DIRECTOR
8-14-55

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Memorandum for Mr. Boardman

revealed that Cox, Assistant Solicitor General, 1942 - 1943, signed a letter of recommendation for Henry Hill Collins, Jr., in behalf of Collins' efforts to secure a commission in 1943; entertained Harry Dexter White at dinner in February, 1946, and March, 1947; was listed in the personal address book of Allan R. Rosenberg in 1946; and was listed in the personal records and notes of David R. Wahl in 1947. Henry Hill Collins, Jr., Harry Dexter White and Allan R. Rosenberg have been identified as formerly involved in Soviet espionage. David R. Wahl has been identified as a member of the Communist Party in the late 1930s and as an associate of members of the Silvermaster espionage group, which operated in Washington, D. C., and New York City in the early 1940s. (62-60527-38568)

Lloyd N. Cutler, also a member of the above firm, furnished an affidavit on May 10, 1950, in which he attested to the loyalty of Najeeb Elias Halaby, an employee in the office of the Secretary of Defense. Halaby was the subject of a Loyalty of Government Employees investigation in 1950 based on his reported association with pro-Nazi suspects in 1942. The loyalty investigation failed to reveal any disloyal activities on Halaby's part.

At a conference in the office of the Secretary of Defense, held in February, 1949, at which the Director was in attendance, Halaby described the FBI as a "more or less police agency with no knowledge of espionage or sabotage investigative experience." Halaby also criticized the Interdepartmental Intelligence Conference. (62-60527-38568)

RECOMMENDATION:

Attached is a memorandum to the Attorney General with copies to Deputy Attorney General Rogers and Assistant Attorney General Tompkins, reflecting pertinent information as set forth in this memorandum.

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DATE 7-26-89 BY 653 (S7J) also

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Mr. Tolson _____
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Mr. Sizoo _____
Mr. Winterrowd _____
Tele. Room _____
Mr. Holloman _____
Miss Gandy _____

Republic Fund Helps Stanford Study Witnesses' Testimony on Communism

By Lee Nichols
United Press

The Fund for the Republic disclosed yesterday it had given the School of Law at Stanford University, a \$25,000 grant to study and analyze the testimony of leading witnesses on communism.

The announcement was made by Robert M. Hutchins, Fund president, in a report on the organization's activities. The Fund was set up in December, 1952, with a \$15-million grant from the Ford Foundation to study civil liberties in the United States.

Hutchins said that in the field of civil liberties, "in some particulars the atmosphere is better than it was five years ago." But he added misundertanding and violation of civil liberties "are still such as to give cause for alarm."

Noting the expansion of Government loyalty programs to cover "guilt by association," he said that "the evidence offered to show that a man is a danger to American institu-

tions has often been factically remote."

Hutchins said the accepted view of Communist activity in this country rests largely on evidence given by a small number of witnesses, and there has never been a "sustained and rigorous analysis" of the evidence.

The aim of the Stanford study, he said, will be "to assemble the statements of the most important of these witnesses and to make an objective analysis and critical summary of them."

The study will be directed by Herbert Packer, a member of the New York and Supreme Court bars, who will work in Washington until Jan. 1 and later as a member of the Stanford faculty.

Hutchins, former president of the University of Chicago, disclosed the Fund for the Republic has spent \$2,514,738 since its formation in 1952 "to advance understanding of civil liberties."

Discussing the present status

of civil liberties, Hutchins said the cold war "has thrown the whole subject into unusual disorder."

He said treatment of suspects in congressional investigations and Government hearings "has not always been that contemplated by the Sixth Amendment," which guarantees due process of law to accused persons.

Continuous propaganda and social pressure, he declared, have "tended to suppress conscientious nonconformity."

"Political advantage has accrued from claiming that others were indifferent to the threat of communism. The result has been that Government officers, university presidents and ordinary citizens have felt it necessary to exhibit inordinate anxiety on this score."

Hutchins said the Fund takes no position on such matters but believes the people should be fully informed. The Fund's aim is to help supply the necessary information, he said.

*John Tolson
Wash. Post
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B. Harbo
B. Belmont
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B. Winterrowd
B. Holloman
B. Gandy*

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Wash. Post and
Times Herald

Wash. News

Wash. Star

N. Y. Herald Tribune

N. Y. Mirror

Date: 8-22-55

100-391697-163
ENCLOSURES

Fund Gives Stanford \$25,000 for Civil Liberties Study

The Fund for the Republic announced today it has given \$25,000 to the school of law, Stanford University, to study and analyze the testimony of leading witnesses on communism.

The study at the California University will be part of the Fund's continuing examination of civil liberties in the United States.

Robert M. Hutchins, Fund president, announced the gift in a report on the activities of the privately financed organization. It received \$15,000,000 in December, 1952, from the Ford Foundation to study civil liberties.

Mr. Hutchins reported that "the atmosphere" for civil liberties is somewhat improved over five years ago. But he said violation of civil liberties "are still such as to give cause for alarm."

Mr. Hutchins, former president of the University of Chicago, criticized the extension of Government loyalty-security tests to include "guilt by association."

"The evidence offered to show that a man is a danger to American institutions has often been farcically remote," he said.

Mr. Hutchins said the Stanford study will collect the testimony of the "most important" witnesses on communism "and make an objective analysis and critical summary of them." He said the accepted view of communist activity in this country rests largely on evidence given by a small number of witnesses. This testimony, he said, has never received "sustained and rigorous analysis."

The Stanford study will be under the direction of Herbert Packer, a member of the New York and Supreme Court bars. He will work

here until Jan. 1 and later as a member of the Stanford law faculty.

Mr. Hutchins said the Fund has spent \$2,514,738 since its formation in 1952 "to advance understanding of civil liberties." He said the Fund stands as a "symbol of the vitality of these freedoms." (UP)

Mr. Tolson _____
 Mr. Boardman _____
 Mr. Nichols _____
 Mr. Belmont _____
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 Mr. Mohr _____
 Mr. Parsons _____
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Wash. Post and Times Herald _____
 Wash. News _____
 Wash. Star _____
 N. Y. Herald Tribune _____
 N. Y. Mirror _____

Date: 8-22-53

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 Mr. Nichols
 Mr. Boardman
 Mr. Belmont
 Section Tickler

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 August 25, 1955

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2 THE ATTORNEY GENERAL

COPY
 DIRECTOR, FBI

HERBERT L. PACKER
 FUND FOR THE REPUBLIC

By memorandum dated April 29, 1955, captioned "Fund for the Republic; Georgetown University," you were advised that information had been received that the Deans of the Law School and the Graduate Law School of Georgetown University had been contacted by the Fund for the Republic and requested to conduct a research study, looking into the reliability of pertinent Government witnesses used in security-type cases such as Elizabeth T. Bentley, Louis F. Budenz, and Whittaker Chambers. Also by memorandum dated June 2, 1955, you were advised that information had been received that Georgetown University definitely turned down the project. (100-391697-85, 101)

For your information, an article in the August 22, 1955, issue of the "Washington Post and Times Herald" captioned "Republic Fund Helps Stanford Study Witnesses' Testimony on Communism," related that the Fund for the Republic had given the School of Law at Stanford University a \$25,000 grant to study and analyze the testimony of leading witnesses on Communism. The article further related that the study will be directed by Herbert Packer, a member of the New York and Supreme Court Bars, who will work in Washington until January 1, 1956, and later as a member of the Stanford faculty.

A review of the records of this Bureau has been conducted concerning Herbert L. Packer and no investigation or identifiable derogatory information is reflected concerning him. Our records indicate Packer is a member of the Fund for the Republic's four-man, Advisory Committee on Case Studies in Personnel Security.

Martindale-Hubbell Law Directory, 1955, reflects that Packer was born in Jersey City, New Jersey, on July 24, 1925; received B.A. and LL.B. degrees from Yale University in 1944 and 1949, respectively; was an Assistant Instructor in Law at Yale University during 1948 and 1949; was admitted

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Cover memo Belmont to Boardman 8/24/55
same caption, MSC:dae

FOR APPROVAL
SENT DIRECTOR
8-24-55

~~CONFIDENTIAL~~

DECLASSIFIED BY 7-21-81

~~CONFIDENTIAL~~

Memorandum for the Attorney General

to the New York Bar in 1950; and is currently an associate member of the law firm of Cox, Langford, Stoddard and Cutler, 1625 Eye Street, Northwest, Washington, D. C.

The search of our records concerning Packer revealed that Oscar Cox, a member of the above law firm, is the subject of a closed security-type investigation instituted in February, 1954. The investigation revealed that Oscar Cox, Assistant Solicitor General during 1942 and 1943, signed a letter of recommendation for Henry Hill Collins, Jr., in behalf of Collins' efforts to secure an army commission in 1943; entertained the Harry Dexter White at dinner in February, 1946, and March, 1947; was listed in the personal address book of Allan R. Rosenberg in 1946; and was listed in the personal records and notes of David R. Wahl in 1947. Henry Hill Collins, Jr., Harry Dexter White and Allan R. Rosenberg have been identified as formerly involved in Soviet espionage. David R. Wahl has been identified as a member of the Communist Party in the late 1930's and as an associate of members of the Silvermaster espionage group which operated in Washington, D.C., and New York City in the early 1940's.

1 - Mr. William P. Rogers
Deputy Attorney General

1 - Assistant Attorney General
William F. Tompkins

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NUMEROUS REFERENCE

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SEARCH SLIP

Subj: Parker, Herbert

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4-22 (6-15-55)

Federal Bureau of Investigation
Records Section

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Supervisor

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 All References Subversive References Main _____ References Only Restrict to Locality of _____ Breakdown Buildup Variations Exact Name Only Exact Spelling Check for Alphabetical Loyalty FormSUBJECT Parker, Herbert

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Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. L. V. BOARDMAN *LVB*

DATE: September 1, 1955

FROM : MR. A. H. BELMONT *AWB*SUBJECT: REPORT BY ROWLAND WATTS ON
ARMY SECURITY

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*AWB*SYNOPSIS:

With reference to my memorandum of 8-12-55, study of captioned report and review of Bufiles on author are now completed. Results set forth. Watts' report was supported by grant-in-aid from Fund for the Republic and released by Workers Defense League (WDL), Socialist defense movement organization of which Watts has been National Secretary since 1947. The report of more than 250 pages is divided into 2 volumes. The first volume contains author's study, analysis and conclusions concerning Army Military Personnel Security Program as it affects draftees; laws and regulations governing the program and copies of forms referred to in the study. The second volume contains case studies in outline form of 49 out of 110 cases reviewed. The scope of inquiry was confined solely to draftees, excluding doctors and dentists; cases are supposed to be geographically distributed throughout United States; 43 lawyers were interviewed and information was obtained from 28. In no instance does author identify case subject and attorney by name, give exact date of alleged activities or identity of city or Communist Party club by name. Case number 7 mentions names of two witnesses, David Reisman and Norman Thomas. Bufile check on Reisman failed to identify case. Thomas not checked due to voluminous references. Three references to FBI appear in second volume. These references appear in draftee's answer to allegations and information developed at hearings and do not appear to be criticisms of FBI. One statement was incorrect. References to FBI set forth in full in details. Watts was born 11-17-12 at Baltimore, Maryland; was admitted to Maryland Bar in 1938 and was engaged in private law practice in Maryland from 1938-42. In 1942 he was President Maryland Council for Conscientious Objectors. He was committed to conscientious objectors camp for 6 months, in Maryland, and 2½ years in Connecticut. In February, 1946, he started employment with WDL. Attached memorandum for dissemination contains foregoing biographical data; background information concerning WDL; brief synopsis of 1950 investigation of Watts and two associates in WDL for alleged impersonation

ENCLOSURE

EJT:mIp (10)

1 - Mr. Nichols

1 - Mr. Boardman

1 - Mr. Belmont

1 - Mr. Rosen

1 - Internal Security

1 - sect. tick.

1 - Mr. Landis

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1 - 100-391697

ALL INFORMATION CONTAINED
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YB

Memorandum to Mr. Boardman

of FBI Agents while conducting investigation for WDL regarding forced labor conditions in Florida, which investigation resulted in prosecution being declined because of insufficient evidence of positive nature indicating a violation of Impersonation Statute; information received from informants and public sources from 1947 to 1955 reflecting Watts' affiliation with organizations cited by the Attorney General, particularly organizations of Trotskyite origin (this included his participation in the presentation of these organizations' views to Department to have organizations removed from Attorney General's list, raising defense fund for that purpose, etc.); and miscellaneous activities such as his participation in anticonscription demonstration in 1947, his representation of seamen screened off merchant ships as subversive from 1951 - 1954 and his status as 1952 officer of War Resisters League, pacifist organization. Bufiles also reflect information of nondisseminable nature either because of question of identity or because information deals with Watts' relations with Bureau. Watts has been extremely critical of Bureau on number of occasions. On 5-17-50 New York Office was instructed that officials and personnel of WDL were not to be interviewed without Bureau authority. When interviewed in 1952-53 security case which had been opened on basis of complaints made by Watts, Watts furnished nonspecific information that individual was pro-Communist and had a close associate and neighbor who had a brother and wife who reportedly had Communist associations, thus Watts based his complaints on very items for which he criticized Army program in current report. As Watts' report deals entirely with military program affecting draftees no attempt was made to make complete analysis. Observations based on correlation of file review concerning author and review of his report are set forth in details.

RECOMMENDATION:

Attached is a yellow of a replimat of a memorandum, containing information suitable for dissemination, on Watts, which, if approved, will be disseminated to the Attorney General, Deputy Attorney General Rogers, Assistant Attorney General Tompkins and G-2, by letters of transmittal which will show that Watts' study was financed by the Fund for the Republic.

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DETAILS:

Reference is made to my memorandum to you dated August 12, 1955, wherein I advised that in accordance with Mr. Nichols' request the 250-page report by Rowland Watts on Army Security had been obtained

Memorandum to Mr. Boardman

from G-2 and was being studied by the Liaison Section. The study of Watts' report and a review of all references to Watts in Bufiles has now been completed and the results are hereinafter set forth.

BACKGROUND FOR WATTS' REPORT:

According to the annual report of the Fund for the Republic dated May 31, 1955, that organization authorized in November, 1954, \$115,000 for fellowships and grants-in-aid for work in areas of the Fund's interest. One of the persons receiving a grant from this Fund was Rowland Watts, National Secretary of the WDL, an organization which has acted as the defense movement of the Socialist Party, for a study of undesirable discharges of drafted servicemen based on allegations regarding preinduction activities and associations. In a prefatory note the author gratefully acknowledges this assistance. August 4, 1955, newspaper clippings which announced the release of the report described it as the first comprehensive private study ever made of the Army's security program for draftees. The report was released by WDL, 112 East 19th Street, New York City.

In the preface the author states that the study was undertaken as an outgrowth of his experience in the private practice of law in Baltimore, Maryland, and as National Secretary of the WDL; that he had been assisted in it by several score attorneys throughout the country who had made their files, experience and time available to him. The author claims that the report is a study of the effect on draftees under the Universal Military Training and Service Act, as amended, of the Army Personnel Security Program specifically concerned with SR600-220-1 and related regulations; the examination of the legal basis for this program; the administrative application of it and some of its practical outcomes; and while its analysis and conclusions are implicitly suggestive of changes in the program, it is not an attempt to devise a security program which might be conformable to civil rights. The report is divided into two volumes which will be hereinafter described.

"The Draftee and Internal Security":

This volume makes no reference to the FBI but drastically criticized the Department of the Army concerning every detail of its handling of its security program concerning the draftee from the time of his induction until his discharge. It contains the author's study, analysis, and conclusions of the Army Military Personnel Security program as it affects draftees; excerpts from various laws and

Memorandum to Mr. Boardman

regulations governing the program such as SR 600-220-1 (criteria), espionage laws - Section 793, 794, Executive Order 10450 and Public Law 773 - 81st Congress; and such forms as the Loyalty Certificate for the Personnel of the Armed Forces (Form DD 98) and the form setting forth Veterans' Rights and Benefits (DD-214-1).

Watts states that the scope of inquiry was confined solely to draftees, excluding persons drafted under the doctors and dentists draft; 110 cases were examined, 87 in detail and partial information was obtained in others; cases were geographically distributed throughout the United States; 12 cities were visited; 43 lawyers were interviewed and pertinent information obtained from 28 of them. The author states that every effort has been made to preserve anonymity of the attorney and his client and it is noted that in no instance does he mention any of the case subjects or counsels by name nor does he name the city or branch of an organization with which case subjects were affiliated or give the date of subject's affiliation. Because of this, it is not possible to identify any of the cases mentioned with current or past Bureau cases. In view of this fact and the fact that Watts' study deals entirely with the handling of security cases by the military, no attempt is being made to make an analysis of the truth or falsity of his report.

"Appendix C to the Draftee and Internal Security":

This volume contains in outline form the results of 49 case studies of draftees investigated by the Army under the Universal Military Training and Service Act. In general the case studies report the date of induction (month and year); information regarding the signing of Loyalty Certificate DD 98 (lists Attorney General's organizations); a summary of draftee's military career; a summary of the allegations and the date on which they were given to the draftee; draftee's answer or information concerning the hearings; type of discharge and date and subsequent appeal actions. The names of Professor David Reisman, University of Chicago and Norman Thomas were set forth as witnesses in case number 7 of this volume. Bureau file references concerning Professor David Reisman were checked but failed to contain any information that would identify that case. The name of Norman Thomas was not checked due to the voluminous references to him in Bufiles.

This volume mentions the FBI on pages 38, 39, and 155. It is noted that these references to the FBI appear in the draftee's answer to the allegations or in information developed during the hearings and do not appear to be criticisms of the FBI. These references are being set forth in detail: (1) Case number 11. In answer to allegations

Memorandum to Mr. Boardman

that he had claimed membership in an organization cited by the Attorney General; draftee stated "I have never been a member, nor have I to the best of my knowledge claimed membership in this organization, or any organization outlined as subversive by the Attorney General or the FBI." This statement, is, of course, incorrect as the FBI does not outline any organization as subversive. (2) Case number 11. At his first hearing during August, 1954, in answer to the allegation that he had carried on extensive correspondence with individuals and organizations in foreign countries, including the U.S.S.R. and its satellites, draftee put in evidence a validated Merchant Seaman card and stated "Before I received that card I talked to an FBI agent, Mr. _____. At that time he told me he saw no reason why I should stop corresponding as he saw no harm in this corresponding over seas." (3) Case number 49. Draftee who had been denied commission despite a reportedly excellent record in ROTC courses stated that at the suggestion of his college commanding officer he sought and obtained an FBI interview in which he disclosed all the information that was available to him. He then sought to enlist in the regular army and was denied enlistment.

Review of Bureau Files Concerning Watts:

In addition to the information concerning Watts which is included in the attached memorandum for dissemination, Bufiles contain considerable information which is not set forth for dissemination because there is a question concerning positive identity and the reliability of the source in one instance is unknown; or the information deals with Watts' relations with and criticisms of the Bureau.

Information About Which There is a Question of Identity:

Rowland Watts, President, Baltimore Peace Congress, was listed among the speakers on the program for a conference on democratic rights, which was held on June 14 and 15, 1940, in Baltimore, Maryland, and was called by the Maryland Association for Democratic Rights, an affiliate of the National Federation for Constitutional Liberties, which has been cited by the Attorney General. (100-1170-73
p. 6)

In May, 1943, the Baltimore Field Office opened a Custodial Detention - C case based on information furnished by Henry H. Rippeger (not further identified) that one Rowland Watts had been an officer of the Communist Party of Baltimore. Investigation was closed when it was learned Watts had been inducted into a conscientious objectors camp on December 26, 1942. Subject of this case is probably identical

with the subject of instant memorandum but there is no positive proof of this in Bufiles. (100-207480)

Relations With and Criticisms of the Bureau:

A number of civil rights and domestic violence cases have been opened by the Bureau on the basis of information furnished to the Bureau or the Department of Justice by Watts as a representative of the WDL. (44-1706; 50-1945, etc)

On March 26, 1946, former Special Agent Walter Dence, who was at that time practicing law in Miami, Florida, advised the SAC at Miami that Watts had contacted him to retain his law firm to represent the WDL and a civil rights victim in civil action against the sheriff of Leesburg, Florida. Watts advised Dence that at the request of the WDL a civil rights investigation had been conducted by the FBI and that a Special Agent of the FBI had contacted the victim's wife and intimidated her to such an extent that she felt it was necessary to leave the State of Florida. (A memorandum was submitted* by the FBI Agent involved which denied intimidation of victim.) According to Watts, the WDL had tried to secure some results in this case through the FBI in Washington, D. C., but its efforts had been in vain. Watts reportedly claimed that "The FBI is rotten and needs cleaning out in Washington." (50-1945-16)

In a copy of a February 10, 1950, "Staff Report" made by Watts and issued by the WDL, Watts criticized the FBI's investigation of a peonage case in central Florida. His report read in part ". . . after 5 $\frac{1}{2}$ months of dilatory and inept investigation by the FBI, the Civil Rights Section of the Department of Justice reported that it found no evidence of peonage in K____ D____'s case." Watts report further stated that "FBI Agents -- lawyers and accountants, overworked and, almost without exception, white -- are not trained for this type of investigation. They cannot gain the essential confidence of the Negroes in the area, their activities become known, and potential witnesses are intimidated." (44-3081-1)**

During the course of the FBI's investigation of Watts and two of his WDL associates in 1950 for alleged impersonation of FBI Agents while they were conducting investigation on behalf of the WDL in regard to forced labor conditions in Florida, Watts stated in an interview on March 29, 1950, that he desired to cooperate in every way with the FBI since the good work of the WDL ultimately depended

* upon receipt of this information

** upon receipt of this criticism, the Bureau case involved was identified. An inspection of that case disclosed that there was absolutely no basis for statement investigation was - 6 - "dilatory and inept."

Memoandum to Mr. Boardman

upon the investigation by the FBI and subsequent prosecution by Department of Justice. On April 12, 1950, Terrance McCarthy, one of the above-mentioned associates was interviewed by Agents of the New York Office in the presence of his attorney and Watts. Watts, McCarthy and his attorney expressed the opinion that if one tenth as much energy was expended by the FBI in investigating peonage cases as was spent in investigating instant case the FBI would meet with considerable success in remedying sociological conditions in the South. Watts also displayed to the interviewing Agents an editorial which was to appear in the Spring 1950 "Workers Defense Bulletin," WDL publication, which pertained to a prior interview of the Agents with Watts. This editorial stated in part ". . . Instead of investigating the forced labor charges, the United States has launched an immediate investigation of the Commission's investigators in Florida, where the Commission found extensive peonage, the FBI started interviewing persons - not to apprehend those who might be guilty of peonage but to attempt to build up a case against the Commission's investigators." The Commission referred to was the Commission of Inquiry into Forced Labor. The interviewing Agents pointed out to Watts that the FBI does not attempt to build up cases against anyone but seeks to impartially obtain the facts. (47-39142-37, 39)

By letter dated May 17, 1950, the SAC at New York was advised that officials and personnel of the WDL were not to be interviewed by Special Agents of the New York Office without Bureau authority. (47-39142-38)

A reliable informant of the San Francisco Office reported in March, 1951, that the San Francisco Bay Area Branch Organizer of the Independent Socialist League (ISL) had stated that the ISL had a "pipeline" into the FBI files in New York through a person by the name of Watts, an attorney for the American Civil Liberties Union in New York City. Watts allegedly was an old friend of the head of the ISL and kept him informed concerning any information he received. A technical surveillance on the WDL office from April 24, 1951, to May 21, 1951, failed to obtain any pertinent information concerning Watts' contact with any person associated with the FBI or the Department of Justice. A Detroit informant also furnished a similar claim made at a Detroit Branch meeting of the ISL on January 28, 1954. New York teletype dated February 5, 1954, stated claim of "pipeline" had no basis and apparently was made by Watts simply because he had, on one occasion furnished information to New York FBI. [redacted] b7D
[redacted] 100-86590-47-58; 100-86590-34-145, 145X, 152, 153, 155;
100-86590-773X2, 100-375861-15, 16)

By letter dated January 25, 1951, the New York Office advised that on January 10, 1951, Watts visited that office to furnish information concerning one Dr. Leon Luria whom Watts charged with

Memorandum to Mr. Boardman

aiding Communist seamen to penetrate Coast Guard screening of subversive seamen. The New York letter pointed out that Watts and the WDL had criticized the Bureau in the past and manifested irresponsibility so that New York Agents had limited themselves to receiving such information as Watts saw fit to furnish and had deliberately avoided conveying the impression that Watts and the WDL had been cooperating with the Bureau. (100-86590-47 -58)

During a 1952-53 Security Matter - C investigation of William Boris Harris, an Atomic Energy Commission (AEC) employee and one of Watts' neighbors, authority was granted to interview Watts inasmuch as he was the original complainant who had furnished information to AEC. When interviewed Watts stated he considered Harris to be a Communist, but could furnish no specific statements concerning this. He stated Harris appeared pleased over United Nations' and United States' losses in Korea; that he had aligned himself with a pro-Communist group in the cooperative in which they both lived; that a close neighbor and associate of Harris had a brother who was active in the National Lawyers Guild, which Watts considered to be "left wing"; and a wife who Watts recalled had admitted to him at a New Year's Eve party, where both had been drinking, that she had been a member of the Young Communist League but was no longer a member. Watts stated that he, himself, was one of several outspoken anti-Communists in the cooperative and that Harris always seemed to oppose him in membership and board of directors meetings. Watts advised he realized his statements were very nonspecific and very general but in his own mind he was convinced that Harris and the neighbor were either Communists or very sympathetic to the Communists. Watts stated he did not wish to furnish any signed statement nor did he desire to appear before any Loyalty Hearing Board. During this investigation three additional neighbors of Harris also furnished nonspecific complaints alleging that Harris might be sympathetic to Communism. No removal action was taken against Harris as none of the complainants would appear before AEC Personnel Security Board. (116-46872-17 p.4, 9)

Observations:

No attempt has been made to make a page by page analysis of this report, however, the following observations based on a correlation of the file review concerning the author and the review of his report are being set forth as worthy of note:

(1) The introduction to Watts' report begins with the following statement and very definite conclusion which immediately alerts the reader to the fact that his report will not be favorable or fair to the Army: "A careful study of the Army Military Personnel

Memorandum to Mr. Boardman

Security program and its application to inducted men makes it difficult to avoid the conclusion that the ideal draftee is an only child of spontaneous generation who, despite a hermit childhood, has miraculously acquired the ability to read and write English but has never made use of these useful skills."

(2) Watts appears to begin his case study report with the same idea of prejudicing the reader. For example, in case number 1 he reports that that case is still pending and counsel was unwilling to make the complete file available to him but would authorize the use of one allegation. That allegation reads "You have a father who is reported to, have said that if Communism offered anything good he would accept it."

(3) On page 27 of the study the author contends that each allegation like a count in an indictment should be capable of standing alone; and if it has no probative force in itself it cannot add probative force to others. He then sets forth 14 pages of allegations, broken down under classifications including such headings as Communist Party, Publications, Family Relationships, Executing Loyalty Certificates and Miscellaneous, etc. By setting forth these allegations in this manner, one allegation sometimes appears very trivial, whereas when all allegations concerning a particular case are set forth together they reflect considerable activities of a derogatory nature. For example, in case number 41 the fact that the draftee listed character references who were affiliated with Communist fronts would not be sufficient derogatory information to cause him to be given an "undesirable" discharge. However, a study of his case reflects 17 allegations concerning the draftee himself including Communist Party membership, membership in cited organizations, and refusal to sign the Loyalty Certificate claiming the Federal Constitutional Privilege. In cases number 15 and 18 where allegations did not pertain to the draftee, draftee was given an "honorable" discharge in one instance and a "general" discharge under honorable conditions in the other.

(4) Watts criticized the Army for not securing accomplishment of the Loyalty Certificate form prior to induction and for failure to reject inductions on the basis of subversive connections indicated on that form or on the basis of information which Army investigations reflect was gained prior to the draftee's induction into the Army. Watts contends that there is no justification for granting discharges based on anything other than activities while in the Army and the character of service rendered. He states that preinduction and post-service activities should not determine the nature of the discharge.

Memorandum to Mr. Boardman

(5) The report is very critical concerning the use of Attorney General's list of subversive and Communist organizations as a yardstick of loyalty claiming that its validity is open to question because cited organizations were not afforded a hearing prior to having been listed. Watts also criticizes the application of the Executive Order 10450 to draftees claiming that it was meant for civilians and not meant for draftees. In this connection it is noted that Watts was active in the fight to have certain organizations removed from the Attorney General's list, particularly organizations of Trotskyite origin. Eleven of the 49 case studies contained allegations of membership in one or more of the organizations with which Watts has worked and these cases were usually set forth in much more detail than the other cases.

(6) In some instances Watts states "While most of the information in the G-2 Summary of Information cannot be divulged at this time, one item is of particular interest." He then relates some ridiculous allegation which would obviously prejudice the reader. Case number 33 is a good example of this technique.

(7) In case number 35 no allegations were served against the draftee and it was apparently assumed that he had been classified a security risk because the draftee had complained that for 15 months of his military career he was continued at the same post where inducted performing routine nonimportant duties.

(8) Watts criticized the Army program for using nonspecific charges, for determining "guilt by association" and using unidentified sources; yet, when (as previously reported) he was interviewed concerning an AEC employee about whom he had originally complained, he was guilty of these same techniques.

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1 p Mr. Boardman

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September 15, 1955

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THE ATTORNEY GENERAL

RECORDED - 54

DIRECTOR - 3916 92-164

ROWLAND WATTS
FUND FOR THE REPUBLIC

DECLASSIFIED BY ~~2025 Dec 10~~
ON 12/6/89

Information has previously been furnished you concerning the officers and activities of the Fund for the Republic. According to a May 31, 1955, report of the Fund, it authorized in November, 1954, the sum of \$115,000.00 for a program of fellowships and grants-in-aid to turn the attention of scholars to problems of special concern to the Fund. Rowland Watts, National Secretary of the Workers Defense League, a defense movement of the Socialist Party, received one of the grants-in-aid for a study of "undesirable" discharges of drafted servicemen based on allegations regarding preinduction activities or associations. A two-volume report by Watts setting forth the results of his study of the effect on draftees of the Army Military Personnel Security Program was released on August 4, 1955, by the Workers Defense League. These volumes were entitled "The Draftee and Internal Security," and "Appendix to the Draftee and Internal Security."

Watts was born November 17, 1912, in Baltimore, Maryland. He was admitted to the Maryland Bar in 1938 and since 1947 he has been National Secretary of the Workers Defense League, which has headquarters at 111 East 19th Street, New York City. Watts served a three-year term as a conscientious objector during World War II. He participated in anticonscription activities in 1947; was affiliated with a pacifist organization in 1952; has been active in the campaign to have organizations of Trotskyite origin removed from the Attorney-General's subversive lists; and between 1951 and 1954 he represented seamen who had been screened off merchant ships as security risks.

P.R. COMM-FBI

SEP 16 1955

HOLMAN

Tolson _____
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 Winterrowd _____
 Tele-Room _____
 Holloman _____
 Gandy _____

NOTE: Attached memo was previously approved for dissemination to Attorney General, Deputy Attorney General Rogers, and Assistant Attorney General Tompkins in accordance with the recommendation in memo from Belmont to Boardman dated 9/1/55, captioned "Report by Rowland Watts on Army Security."

SEP 26 1955

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Memorandum for the Attorney General

In the Spring of 1950 this Bureau conducted an investigation concerning Tatts and two of his associates in the Workers Defense League for allegedly representing themselves as FBI agents while they were conducting investigations for the League regarding forced labor conditions in the State of Florida. Prosecution was declined because investigation failed to develop sufficient evidence of a prosecutive nature indicating a violation of the Impeachment Statute. Reports reflecting the results of this investigation captioned "C. Leroy Gucker; Terrance McCarthy; Lowell Tatts, with alias, Roland Tatts - Impeachment," were furnished the Department in April and May, 1950.

For your information, there is enclosed a detailed summary memorandum which reflects information in our files concerning Lowell Tatts.

1 - Mr. William P. Rogers (with enclosure)
Deputy Attorney General

1 - Assistant Attorney General (with enclosure)
William P. Scarpinis

~~CONFIDENTIAL~~

Mr. Nichols

September 6, 1955

M. A. Jones

FULTON LEWIS, JR., RADIO BROADCAST
SEPTEMBER 6, 1955

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DATE 7/26/89 BY 2025 ADJP

Mr. Lewis devoted part of his broadcast to a discussion of the Fund for the Republic. Lewis explained that his mail staff had received inquiries as to why he (Lewis) kept saying that the money given to the Fund for the Republic by the Ford Foundation belonged to the general public. Lewis commented that the answer lies in the source of the money, that 89 1/2 per cent of the Ford Motor Company stock (which is non-voting) was given to the Ford Foundation and hence is free of taxes. Only some 10 per cent of the Ford estate is hence subject to taxes. Lewis said that since the money is tax free it was, by law, ostensibly being given for all the people. In this sense, Lewis said he meant that the money belonged to all the people. In fact, according to Lewis, the law requires the signing of a statement of justification by such organizations before the Bureau of Internal Revenue which must pass upon the statement. Lewis said unfortunately the statements of justification are confidential. He added that the citizen ought to know if the money which is tax free is being properly spent.

Mr. Lewis then read from the law which sets forth the conditions under which such foundations must operate in order to secure tax exemptions. This provided, among other things, that the money should not go for propaganda or be used for political purposes.

Mr. Lewis then commented that last week he started reading a list of projects taken from the Fund for the Republic's Annual Report but had become sidetracked in a discussion of the American Legion in Illinois and an "outfit" called the American Heritage Council of Chicago. He said that he had discovered the fact that the American Legion is not in on the project at all. He then read a list of projects being sponsored by the Fund for the Republic. At the conclusion of the broadcast, Lewis said he would be interested in knowing how many of these projects were of benefit to the tax payers, and he wondered if his listeners felt there were any political or legislative propaganda connotations involved in them.

RECOMMENDATION:

None. For your information.

cc - Mr. Nichols

cc - Mr. Boardman

cc - Mr. Belmont

cc - Mr. Jones

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INDEXED

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Boardman _____
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SEP 21 1955
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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson
 FROM : L. B. Nichols

DATE: 9/1/55

SUBJECT: AMOS LANDMAN
FUND FOR THE REPUBLIC

Tolson
 Boardman
 Nichols
 Belmont
 Harbo
 Mohr
 Parsons
 Rosenblatt
 Tamm
 STZC
 Tomorrow
 Tele. Room
 Holloman
 Gandy

Victor Riesel, who has been a student of the CIO-PAC, is now engaged in checking into W. H. Ferry's background and connections with the CIO-PAC. It was found that Henry Zon, who is now the CIO publicity director, was a Communist at one time and that he, Riesel, believes that W. H. Ferry put Zon in this job. I asked Riesel if he had run across any trace of Max Lowenthal being connected with Ferry since it was known that Lowenthal, some years ago, frequently conferred with Henry Zon.

Riesel stated that he was going to check this out as he knew that Lowenthal was one of the brain trusts in CIO-PAC. He then related that Amos Landman, who invoked the Fifth Amendment, was recently hired by the Fund for the Republic as a public relations director for one of its projects. Riesel further pointed out that Paul Jacobs, CIO leader who has been investigating Communism in Hollywood, was supposed to serve as an advisor to the Fund for the Republic in screening any persons hired; that Jacobs knew nothing about the hiring of Landman and that Jacobs is up in arms over this. Riesel states that he contemplates doing a series of columns and is going to inquire into the Landman connection with the Fund for the Republic.

cc - Mr. Boardman
 Mr. Belmont
 Mr. W. C. Sullivan

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5 OCT 5 1955

Office Memorandum • UNITED STATES GOVERNMENT

JK
TO : Director, FBI
FROM : SAC, New York (62-11595)

DATE: 9/2/55

SUBJECT: WILBUR HUGH FERRY, aka Ping Ferry
THE FUND FOR THE REPUBLIC
INFORMATION CONCERNING

INDEXED 8

Mr. Tolson
Mr. Bookman
Mr. Nichols
Mr. Belmont
Mr. Tamm
Mr. Miller
Mr. Parsons
Mr. Rosen
Mr. Tamm
Mr. Schild
Mr. Winterrowd
Tele. Room
Mr. Holloman
Miss Gandy
Mr. Clegg

There is attached for the attention of the Bureau an article by GEORGE E. SOKOLSKY appearing in the 8/30/55 edition of the "New York Journal American", entitled "A One-Sided Tax Free Fund", in which the subject is mentioned.

Enc. 1

ARTICLE

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50 OCT 5 1955

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THESE DAYS:

A One-Sided Tax Free Fund

By **GEORGE E. SOKOLSKY**

THE Fund for the Republic was established by the Ford Foundation and was given \$15,000,000 which Paul Hoffman, Robert Hutchins and W. H. Ferry, together with a front of trustees, were to spend for general purposes. The Ford Trustees stated:

"The Foundation will support activities directed toward the elimination of restrictions on freedom of thought, inquiry, and expression in the United States, and the development of policies and procedures best adapted to protect these rights in the face of persistent international tension."

Nobody can object to any group fighting for civil liberties of various kinds and a great many organizations exist for such purposes in the United States, as, for instance, the American Civil Liberties Union, the Anti-Defamation League, the National Association for the Advancement of Colored People, etc., etc. These organizations have been long in existence and, preferred or opposed, they are well-known and understood.

The difference between these bodies and The Fund for the Republic, which the Ford Foundation established, is that whereas all the others are voluntary organizations of citizens who believe in a cause and set themselves up to fight for it and are subject to the criticism of their members and the withholding of support, The Fund for the Republic, on the other hand, consists of trustees and a hired office staff who are subject to no control, have no members, and have an enormous treasury which is income-tax free.

**ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED**

DATE 1-26-89 BY 202573 J/wf

TITLE

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From

NY JOURNAL AMERICAN

DATED Tuesday, August 30, 1955

FORWARDED BY N. Y. DIVISION

ENCLOSURE

100-391697-167

A List of Books

The actual manager of this operation is a former newspaper man, W. H. Ferry, familiarly known as "Ping" Ferry. "Ping" Ferry is reputed to be fanatically enthusiastic about whatever he does and has turned The Fund for the Republic into a kind of actions committee whose pattern may best be discerned by the following list of books, articles and other material which it has distributed widely with the object of influencing public opinion:

- "Banned Books" by Anne Lyon Haight. Book, 275 distributed to May 31. Librarians and library trustees.
- "Bulletin of the Atomic Scientists." Special issue on loyalty-security. 25,000 copies. Lists selected by publisher.
- "Cornell Series in Civil Liberties" Books. Cornell University Press. Fund personnel; lists selected by publisher.
- "Faceless Informers and Our Schools" by Lawrence Martin. Pamphlet. Denver Post. 25,000 copies. State School Board Associations.
- "Freedom Award Speeches." Pamphlet. Freedom House. 600 copies. National Civil Liberties Clearing House.
- "Government by Investigation" by Alan Barth. Book, 850 copies. Lists selected by publisher.
- "Grand Inquest" by Telford Taylor. Book, 45 copies. Federal Bench.
- "Open Occupancy Housing." Article. "House and Home." 15,000 copies. National Committee Against Discrimination in Housing; others in race relations field.
- "See It Now." Murrow-Oppenheimer television interview. One hundred ten 16 mm. prints. Educational institutions; civic organizations; local discussion groups.
- "See It Now." Television program on book censorship in California. Five 16 mm. prints. Southern California civic groups.
- "Strong in Their Pride and Free" by Harry P. Cain. Speech. 3,000 copies. National Civil Liberties Clearing House.

It's All One-Sided

- "The Fifth Amendment Today" by Erwin N. Griswold. Book, 35,000 copies. Bench and bar.
- "The Kept Witnesses" by Richard H. Rovere. Article. "Harper's," 25,000 copies. Labor officials; business executives.
- "The Pseudo-Conservative Revolt" by Richard Hofstadter. Article. "American Scholar." 25,000 copies. Business executives; educators; churchmen.
- "To Insure the End of Our Hysteria" by Paul G. Hoffman. Article. "The New York Times Magazine." Emergency Civil Liberties Committee; American Dental Association.
- "To Make Our Security System Secure" by Vannevar Bush. Article. "The New York Times Magazine." 10,000 copies. Educators.
- "Who 'Collaborated' with Russia?" by Paul Willen. Article. "Antioch Review." 600 copies. National Civil Liberties Clearing House.

The list is all one-sided. It is anti-FBI, anti-Congressional Committees investigating subversives. Certainly any citizens can be anti-FBI and anti-Congressional Committees. But the question arises: If rich corporations can set up tax-free foundations to propagate a particular point of view, is there not a possibility of limiting freedom of debate because no tax-free money is available for another point of view?

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TITLE _____
CLASS _____

From
NY JOURNAL AMERICAN

DATED Tuesday, August 30, 1955
FORWARDED BY N. Y. DIVISION

Mr. Nichols

September 15,
1955

M. A. Jones

FULTON LEWIS, JR.
RADIO BROADCAST
SEPTEMBER 14, 1955

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 7/26/98 BY 2025/07/20

Fulton Lewis, Jr., in his radio broadcast for September 14, 1955, devoted approximately 6 or 7 minutes to his study of the Fund for the Republic and indicated he wanted to set forth the following example of what the Fund is doing with its \$15,000.00 it received from the Ford Foundation in tax-exempt money. He made reference to Robert Hutchins, President of the Fund, and the annual report, which was made public several weeks ago, of the Fund for the Republic. He quoted Hutchins as saying "To dramatize the progress made in upholding Civil Liberties the Fund for the Republic gives prizes to persons, organizations and communities that have distinguished themselves by the stand they have taken."

He then referred to the hearings on May 21, 1953, before the Senate Internal Security Committee in Washington, D. C., and Herbert Philbrick, former Bureau informant who, in testifying _____ before the same committee, identified Mrs. Mary Knowles as Secretary of the Samuel Adams School in Boston, Massachusetts, which was controlled by members of the Communist Party. Lewis stated that at the May 21 meeting of the committee, Mrs. Knowles was placed under oath, advised of Philbrick's testimony against her and afforded an opportunity to deny that testimony. The first 2 specific questions put to her were: (1) Are you a member of the Communist Party? and (2) Have you attended cell meetings of the Communist Party in Boston with Herbert Philbrick? On both questions, Mrs. Knowles refused to answer on the grounds of self-incrimination and the Fifth Amendment, and she did likewise on 3 additional questions along the same general lines.

As a result of her testimony, Mrs. Knowles was let out of her job as a librarian at Norwood, Massachusetts, but subsequently she got a job as a librarian at the William jeans (phonetic) Memorial Library which is owned and operated by the Quaker Monthly Meeting in Plymouth Meeting, Pennsylvania, which is near Philadelphia. The actual employment for that job was done by the library committee of Plymouth Meeting, and the action immediately brought forth a storm of protest from the leaders of that Quaker community. The Plymouth Township School

Board forbade school teachers to take children to the public library, 3 members of the library committee itself resigned, financial support for the township was cancelled, and resolutions were passed by the local

cc - Mr. Nichols

cc - Mr. Boardman

cc - Mr. Belmont

cc - Mr. Jones

GMP:ma:skk

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ORIGINAL COPY FILED

Memo to Mr. Nichols

September 15, 1955

chapters of the American Legion and the D.A.R. calling for her dismissal.

Lewis continued that in the light of all of this the Fund for the Republic surveyed the situation, and under the policy mentioned above, Dr. Robert Hutchins announced a special \$5,000 award to the Quaker Monthly Meeting "for courageous and effective defense of Democratic principles in refusing to fire Mrs. Knowles." Hutchins said that the award was being made because the Fund for the Republic hopes that the example set in this case will be followed elsewhere in America, particularly when our libraries, which seem to be a special target of self-appointed censors and amateur loyalty experts, are involved.

Lewis then pointed out that it so happens that it was not the Quaker Monthly Meeting that had hired Mrs. Knowles and refused to get rid of her but the Library committee and the Quaker Monthly Meeting, to which the \$5,000 check was made out, thus far has refused to accept the check and has not cashed it. Lewis pointed out that that has nothing to do with the philosophy or intent of Dr. Hutchins and that Hutchins still thinks that it was a great act of patriotism and public service for a library committee to hire an accused Communist, and Hutchins still thinks it is worthy of a \$5,000 prize.

Lewis further stated that Mrs. Eleanor D. Stevenson, wife of the President of Oberlin College in Ohio and a member of the Board of Directors for the Fund for the Republic, was designated to make the award personally. In attempting to do so, she said she wanted to make it clear that the gift was in tribute to the Quakers for their realization for whatever Mrs. Knowles' past associations may or may not have been, she is a loyal American and a highly qualified librarian who has every right to earn a living and to be treated with respect accorded a human being in these United States.

Lewis stated that if Mrs. Knowles has reformed really and is no longer a Communist, all is well and good, however, tomorrow Mrs. Knowles, now of Plymouth Meeting, Pennsylvania, will appear once again under oath before the same Senate Internal Security Committee to be asked again whether she is a member of the Communist Party and this will be given an opportunity to establish her loyalty and patriotism. Lewis stated that it will be interesting to see what her answer will be. He cites this as another example of the project upon which the \$15,000,000 of Ford Foundation money is being spent by the Fund for the Republic under the leadership of Dr. Hutchins and a swashbuckling young Vice President, W. H. Ferry.

RECOMMENDATION:

None. For Information.

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson *per BZ*

FROM : L. B. Nichols *VIN*

SUBJECT: ⑥ FUND FOR THE REPUBLIC

DATE: Sept. 6, 1955

Tolson _____
 Boardman _____
 Nichols _____
 Belmont _____
 Harbo _____
 Mohr _____
 Parsons _____
 Rosen _____
 Tamm _____
 Sizoo _____
 Winterrowd _____
 Tele. Room _____
 Holloman _____
 Gandy _____

PINK
 Former Inspector Lee Pennington called today advising that the Illinois Department of the American Legion had passed a Resolution last Saturday requesting Congress to take away the tax-exempt status of the Fund for the Republic. Pennington stated the Legion people are quite exercised over the statements of the Fund that it would investigate the FBI and the American Legion and that word had been passed on by the Legion to Fulton Lewis. Fulton Lewis referred to the Illinois Department of the Legion contemplating passage of such a Resolution in his broadcast on the night of September 5. Pennington, of course, is very pleased with the action of the Legion in doing what it can to take the sails out of the Fund for the Republic.

cc: Mr. Boardman
 Mr. Belmont
 JJM:arm
 (4)

SEP 22 1955 *for* INFORMATION CONTAINED
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Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Nichols

FROM : M. A. Jones

SUBJECT: FULTON LEWIS, JR.
BROADCAST, 7:00 PM
AUGUST 26, 1955
FUND FOR THE REPUBLIC

DATE: August 26, 1955

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 11/26/01 BY SP/BS

Toison
Boardman
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On his broadcast tonight, Lewis described the Fund as the "slush fund for left wing political propaganda." He said he had further developments to report. He said there had been a \$25,000 grant to Leland Stanford University Law School for a so-called study on "summary of testimony of witnesses in proceedings relative to Communism." He said that is the case in which Herbert Packer of Washington is involved. He said Packer was not even a member of the District of Columbia bar and added Packer was to become a member of the Leland Stanford Law faculty on January 1 to direct the survey. He pointed out Packer was already an employee of the Fund for the Republic and that it was not the Leland Stanford University doing the study but their good name was being used. According to Lewis, Georgetown University in Washington would have no part of this survey. He said the object of the survey was an attempt to pick inaccuracies and flaws in the testimony of anti-Communist witnesses with a view to discredit the testimony and the people who gave it.

In regard to the above situation, Lewis pointed out that this Fund had not allotted any monies to review the Oppenheimer testimony before the Security Board of the Atomic Energy Commission. Instead he said the Fund had allotted \$200,000 to distribute film reprints of the Edward R. Murrow TV film which tried to glamorize Oppenheimer.

Lewis said no appropriation had been made to inquire into the motives of the people who had written the vile seditious works found in the high school libraries in California but said the Fund did approve money for reprints of the Murrow TV film which ridiculed the California housewife who conducted the campaign to have these books removed.

Lewis said that nowhere has the Fund appropriated monies for a project to find something good about American freedom and standard of living but it has appropriated \$200,000 for the very leftist Washington Post cartoonist Herblock (Lewis said the Post championed Hiss and Remington). Lewis added that Herblock was to do a nationwide TV

100-391697-170

cc - Mr. Belmont
cc - Mr. Nichols
cc - Mr. Boardman
cc - Mr. Landis (Room 7616)

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HPL:n1

(7)

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Jones to Nichols Memorandum

August 26, 1955

propaganda program this fall and winter, / pointing out that there had been no appropriation for the American Legion to do a TV program on Americanism and the rights of individuals. He said there is a project, however--I am informed by a reliable source--to investigate the Legion and the FBI on the ground they endanger the personal rights and freedoms of the individual.

Lewis said he was reading from the Fund's announced projects. He said there was a project entitled "Fear In Education" which was to be a study of high school and college teachers' attitudes.

Referring again to the Leland Stanford grant, Lewis said he had been trying to get in touch with Dean Spaeth of the University without success and had tried to call him this afternoon. He said he wanted to ask Spaeth who broached the subject of the study--was it the brain child of the Stanford Dean or was the study offered to him. He said he would ask how Packer got into the picture. Is he being attached to the Leland Stanford Law School only for making this survey and, if so, why? He wondered why the regular Stanford faculty didn't make the survey and wanted to know if the Stanford Trustees passed on the project and if not, why not? He wanted to know if Dean Spaeth would reconsider the project and take a second look. He wanted to know what qualified Packer and what purpose did the survey expect to serve.

Lewis then referred briefly to Hugh Ferry and his background and then said he would have more later on him.

He said this whole business (Fund for the Republic) was strictly the party line of the CIO Political Action Committee and spoke of Ferry's past employment with that Committee. He said that this was also the political party line of the Americans For Democratic Action.

Lewis concluded by saying that the next move would be to ask the Treasury Department and Internal Revenue some questions as to what was behind this \$15,000,000 tax-free outfit.

RECOMMENDATION:

None. For information.

Mr. Tolson _____
Mr. Boardman _____
Mr. Nichols _____
Mr. Belmont _____
Mr. Harbo _____
Mr. Mohr _____
Mr. Parsons _____
Mr. Rosen _____
Mr. Tamm _____
Mr. Sizoo _____
Mr. Winterrowd _____
Tele. Room _____
Mr. Holloman _____
Miss Gandy _____

8/27/55

fha *JL* *gls*
MR. BOARDMAN:

The Director mentioned on the telephone that he wanted a detailed memorandum on the Fund for the Republic and the Ford Foundation available upon his return. He also desires that another memorandum be prepared on the Fund for the Republic setting forth derogatory information of a type which could be given out. By this, he meant information of a public source or which had been verified. This latter memorandum will be needed on or about 9/1/55, and every effort should be made to have both done by then. However, if this is not possible, then we should have the blind memorandum giving the background.

Df *Celis* During the past week, considerable has been said by Fulton Lewis on Herbert L. Packer who is scheduled to go with Stanford University on 1/1/55. The Fund for the Republic report refers to Packer as a member of the D. C. Bar. Actually, according to Russell Turner, in Fulton Lewis' Office, Packer is not a member of the D. C. Bar. Harry Richey is also very much interested in Packer and former President Herbert Hoover was scheduled to challenge the Board of Trustees at a meeting on 8/25/55, on the propriety of Stanford University making a survey of witnesses.

Voy *E. B. Nichols*

cc - Mr. Belmont

LBN:fc
(3)

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FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

Airtel
NY, NY, 9/12/55

Transmit the following Teletype message to: Bureau

the Republic ✓
FORD FOUNDATION; FUND FOR FREEDOM, INC.; INFORMATION CONCERNING.

NYC, advised this date that while two of his agents were at SOG they were authorized by [redacted] 9/7/55, to initiate an investigation in NYC of captioned organizations with the view of [redacted].

Source advised that such investigation is being initiated and that the NYO would be kept advised of pertinent developments.

For information.

b7E

KELLY

③ - Bureau (RM)

Mr. Belmont

at long last!

D. Belmont
(for info.)

R. Kelly
B.

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16 SEP 13 1955

cc Belmont

M. Per

EJM:JPC (#20-11)
100-112646

Approved

Sent

- Jm - 5 SEP 26 1955
Special Agent in Charge

W.M.

Office Memorandum

UNITED S

GOVERNMENT

TO : DIRECTOR, FBI

DATE: 9/14/55

UK FROM : SAC, NEW YORK (100-112646)

SUBJECT: FORD FOUNDATION;
THE FUND FOR THE REPUBLIC INCORPORATED
INFORMATION CONCERNING.ReNYair-tel 9/12/55, entitled "FORD FOUNDATION; THE FUND
FOR FREEDOM INCORPORATED."

On 9/13/55,

[redacted] NYC, advised upon recontact that when
he referred to the Fund for Freedom Incorporated he meant to
say the Fund for the Republic Incorporated.This source advised that he would furnish the FBI data
re the Fund for the Republic as it is developed in [redacted]
[redacted] where the information might be of interest
to the FBI.

b7E

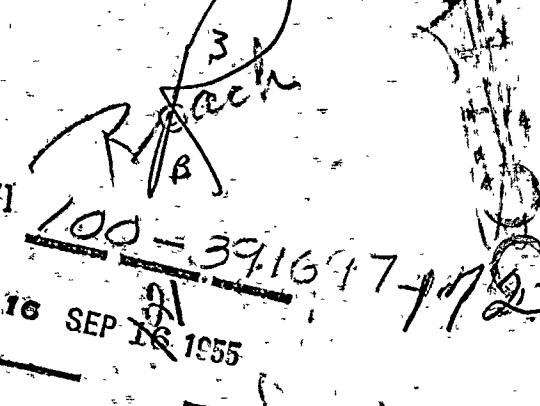
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16 SEP 16 1955



FBI
WILCOX, REED, REED

SEP 19 1955

FBI - NEW YORK

EJM:BBA

59 SEP 21 1955

MEMORANDUM TO MR. LADD

RECOMMENDATIONS:

*Hand
7/18
memo
McCarren
7-18-52
Von*

If you agree it is recommended that Mr. Nichols inform Senator McCarran that we have made certain limited inquiries requested by the Attorney General and the results of these inquiries have been forwarded to the Attorney General together with transcripts of testimony and arguments in this matter furnished by the Senator. It is also recommended that Mr. Nichols inform Senator McCarran of the results of our contact with Mr. Blakey as reflected above.

It is recommended that the Attorney General be advised of the results of interviews requested by him and that the transcripts obtained from Senator McCarran be furnished to the Attorney General. In doing so, the Attorney General should be informed that this may or may not be a complete transcript of the record in this case and that our Salt Lake City office is checking a copy of the transcript furnished with the record to determine whether anything is lacking. If so, copies will be made and forwarded to him. The Attorney General is being asked to advise whether he desires that we make any effort to obtain copies of affidavits now in possession of the firm of Woodburn and Woodburn, attorneys who represented several of the defendants in this civil action, it being noted he may not desire that this be done inasmuch as this action is still pending in Federal court.

It is recommended, also, that the Salt Lake City office be furnished a copy of the transcripts given by Senator McCarran in order that these transcripts may be checked against official court record to determine whether it is complete and if not to secure copies of that which is lacking in order that same might be made available to the Attorney General.

ACTION TAKEN:

Attached hereto for your approval if you concur are letters to the Attorney General and to the Salt Lake City office along the lines recommended above.

Blay

*7/22/52
sent
dry*

MEMORANDUM TO MR. LADD

ACTION TO BE TAKEN:

The transcript of testimony and newspaper articles will be examined and contradictory testimony noted therein believed to be pertinent will be brought to your attention.

*Allen ✓
I concur in all
recommendations.*

H,

MCCARRAN, RICE, WEDGE AND BLAKELY
ATTORNEYS AT LAW
10 STATE STREET
RENO, NEVADA

RENO 2-7065
POST OFFICE BOX 459

PAT McCARRAN
GORDON W. RICE
VIRGIL H. WEDGE
RICHARD W. BLAKELY
JOHN E. GABRIELLI

July 9, 1952

AIR EXPRESS
REGISTERED

Honorable Pat McCarran
United States Senator
Senate Office Building
Washington, D. C.

Dear Senator:

Re: Greenspun vs. McCarran, et al.

I have finally been successful in obtaining what I believe is at least almost a full and complete copy of the transcript in the above-entitled case. This has been done by re-assembling that portion of the record which we previously had with that portion [redacted] which we were successful in obtaining from [redacted]

b6
b7C

[redacted] I am forwarding the same on to you with a specific understanding with [redacted] that after you have reviewed the same and within a reasonable time in the future, it will be returned to this office to be disassembled and his portion returned to him. He will need his portion in that, as you know, an appeal is being taken and he is representing one of the appellants.

I am informed that the reason none of the parties have a complete record in this case was that the court reporter was supplying an unofficial record at the end of each day by distributing copies of the same to the attorneys in the case and that from time to time she inadvertently omitted serving copies on different attorneys in the case.

I am also enclosing herein a copy of an editorial appearing in the Manchester (N.H.) Union Leader which may be of interest to you.

I hope that we may be seeing you in Reno at some time in the near future.

[redacted]
b6
b7C

VHW:AM
Encs.

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Tolson ✓
 FROM : L. B. Nichols
 SUBJECT: HERMAN MILTON GREENSPUN

DATE: July 28, 1952

Tolson
 Ladd
 Nichols
 Belmont
 Clegg
 Glavin
 Harbo
 Rosen ✓
 Tracy
 Mohr
 Tele. Rm.
 Nease
 Gandy

for

For record purposes, Senator McCarran called me from Chicago Saturday afternoon and I told the Senator I wanted to bring him up to date on the Greenspun matter. I advised the Senator that the Attorney General had requested that we make four interviews in connection with the allegation of perjury in the Greenspun Case and that we had made the interviews with Judge Foley, former United States Attorney Pike, and the two assistants. Judge Foley stated that there were contradictions and he may have said there was perjury; however, in every lawsuit there has to be contradictions.

I further told the Senator that we had furnished a complete copy of the transcript which he had furnished us to the Attorney General and we were awaiting word from the Attorney General on this. I also told the Senator we had returned the original of his transcript to his law office in Reno. I further told the Senator that with reference to his advice to me that his firm had affidavits from all parties concerned and if we would have an Agent contact Mr. Blakey the latter would be glad to make these affidavits available to us, Blakey was contacted and he advised he did not have any such affidavits. Blakey had four affidavits but would not give them to us inasmuch as he had secured them from another law firm. The Senator stated that if Blakey did not have the affidavits then other members of the firm no doubt would have.

cc - Mr. Ladd
 cc - Mr. Rosen
 cc - Mr. Laughlin

LBN:md

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 AUG 13 1952
 7 21

65 AUG 27 1952

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Ladd

DATE: August 5, 1952

FROM : Mr. Rosen *Rosen*

SUBJECT: UNKNOWN SUBJECTS; H. M. GREENSPUN vs.
 PATRICK A. McCARRAN, ET AL
 CIVIL ACTION # 1002, U. S. DISTRICT COURT,
 DISTRICT OF NEVADA
 PERJURY

Tolson _____
 Ladd _____
 Clegg _____
 Glavin _____
 Nichols _____
 Rosen _____
 Tracy _____
 Harbo _____
 Belmont _____
 Mohr _____
 Tele. Room _____
 Nease _____
 Gandy _____

A partial transcript of the hearings in the civil antitrust matter, H. M. Greenspun, owner and operator of the Las Vegas Sun, vs. Patrick A. McCarran (D. Nev.) reviewed and some contradictory testimony commented upon.

BACKGROUND

In the spring of 1952 H. M. Greenspun, owner and operator of the Las Vegas Sun, a daily newspaper, apparently took sharp issue with Senator McCarran's alleged support of the candidacy of Senator Richard Russell for the Presidential nomination on the Democratic ticket. Greenspun alleges that in reprisal Senator McCarran instructed the operators of resort hotels and gambling casinos in the Las Vegas area to withdraw advertising support from the paper. He has filed a suit in the U. S. District Court under the Sherman Antitrust Act and is seeking one million dollars in damages.

By memorandum dated July 14, 1952, the Attorney General advised that the story had been circulated that Judge Foley (the presiding judge in the civil antitrust action) made some statement to the effect that perjury had been committed in the course of the trial of this matter. The Attorney General requested that Judge Foley, former United States Attorney Pike, and two Assistant United States Attorneys who had resigned, be interviewed. He also requested that a copy of the record in this case be obtained and forwarded to him. The requested interviews were conducted without developing any tangible information. Judge Foley stated that in commenting relative to perjury having been committed he had reference to the fact that contradictory testimony had been given. A purported transcript of the hearings was obtained from Senator McCarran and this material, together with the results of the investigation, was submitted to the Attorney General by memorandum dated July 22, 1952. This transcript is complete except for 32 miscellaneous pleadings, copies of which are not immediately available. The entire

Attachment

cc Mr. Nichols

6RDS/HB:am
6RDS/AUG 20 1952

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21

EW

Memorandum to Mr. Ladd

record is in the process of being forwarded to the Circuit Court of Appeals, San Francisco, California, where it will be printed. The San Francisco Office will secure 2 copies of the printed record as soon as they are available and one copy will be sent to the Attorney General. The Attorney General was so advised by memorandum dated 7/31/52.

RESUME OF THE TESTIMONY

The transcript of the testimony obtained from Senator McCarran, together with newspaper articles and other material, has been reviewed merely for record purposes in order to comment upon the possible contradictory testimony presented during these hearings. We have not been requested by the Attorney General to conduct further investigation and we do not propose to do so until after he has had the testimony analyzed by attorneys in the Department and outlined the nature of the inquiries deemed necessary.

Greenspun's version of the events leading up to the filing of the suit is briefly as follows:

1. In March of 1952 he wrote an editorial in his newspaper in which he sponsored the candidacy of Senator Estes Kefauver and took strong issue with Senator McCarran's alleged support of the candidacy of Senator Richard Russell for Presidential nomination on the Democratic ticket.
2. On or about March 19 or 20, 1952, he had a conversation with Gus Greenbaum at the Flamingo Hotel wherein Greenbaum allegedly made some statements to the effect that if Greenspun continued his attacks on Senator McCarran he would ruin the gambling industry in Las Vegas.
3. Greenspun alleges that he learned through conversation with owners of some of the gambling casinos that on or about March 22, 1952, a meeting was held, possibly at the Desert Inn gambling casino, in which Marion Hicks of the Thunderbird Hotel informed the gambling interests that he had received a telephone call from Senator McCarran in which the Senator indicated the gambling interests should withdraw their advertising support from the Las Vegas Sun.
4. On or about March 23, 1952, Greenspun alleges he received information from various individuals to the effect that a meeting was held at the Golden Nugget gambling casino attended by Hicks of the Strip (resort hotels) and by Fred Soly of the downtown gambling casinos and others, in which plans were laid to curtail the advertising of the gambling interests in the Sun.

Memorandum to Mr. Ladd

5. In the early morning of March 24, 1952, the Sun began to receive telephone calls from the gambling casinos and the resort hotels either curtailing or cancelling their advertising.

6. On March 26, 1952, a meeting was held in the office of the Mayor of the City of Las Vegas attended by Greenspun and two or three representatives of the gambling interests. In this meeting it was alleged that the representatives of the gambling interests admitted receiving instructions from Senator McCarran to curtail the advertising and were instructed by the Mayor to desist from any such action.

CONTRADICTORY TESTIMONY

The transcript of the proceedings which was made available to us by Senator McCarran has been reviewed in order to note any obviously contradictory statements contained therein. This review disclosed that the record is replete with contradictory statements which seem to be material in so far as the suit is concerned but in practically every instance it would be extremely difficult from an investigative standpoint to establish perjury since only two persons were present. The principal contradictions observed from a perusal of the testimony are the following.

1. Greenspun testified that on either March 19 or 20, 1952, he had a conversation with Gus Greenbaum, President of the Flamingo Hotel. Greenspun alleges that in that conversation Greenbaum said in effect that his attacks on the Senator would ruin the gambling industry (pages 94, 95). Greenbaum, in his testimony categorically denied making any such statements or that Senator McCarran's name was mentioned (pages 434, 436, 447).

2. Greenspun testified that he was told by Moe B. Dalitz of the Desert Inn that a meeting took place on or about March 22, 1952, in which Marion Hicks of the Thunderbird Hotel reported a telephone conversation he had had with Senator McCarran in which the Senator instructed the gambling interests to withdraw all support from the Sun (pages 67, 68, 69). Dalitz categorically denied making the statements attributed to him by Greenspun (pages 406, 407). Marion Hicks denied that he had ever received a call from Senator McCarran in which he was requested to withdraw advertising support from the Sun (page 459).

3. Greenspun testified that a considerable percentage of the advertising placed with the Sun by the resort hotels and gambling casinos was suddenly withdrawn or curtailed by a series of telephone

Memorandum to Mr. Ladd

calls received on March 24, 1952. He said that in an effort to determine the reason for this action he telephoned Fred Soly who refused to answer any question and indicated that Greenspun had enough friends in the gambling business to find out the answer (page 45). Soly categorically denied making the statements attributed to him by Greenspun (pages 65, 70).

4. Greenspun testified that after his telephone conversation with Soly he went over to the Desert Inn where he conferred with Moe Dalitz. He said that Dalitz in effect criticized him for attacking the Senator in his newspaper and indicated that the gambling interests would have to do what he told them to do. It is indicated in this testimony that Dalitz was obligated to Senator McCarran because he assisted the casino in obtaining a gambling license (pages 47, 48, 49). Dalitz denied each statement attributed to him by Greenspun and stated positively that he did not seek any assistance from Senator McCarran in obtaining a state gambling license for the casino (pages 404, 405, 406).

5. Following the cancellation and curtailment of the advertising in the Las Vegas Sun it appears that Greenspun wrote a strong editorial condemning the joint action of the gambling interests. Based upon this editorial and perhaps with conversations with Greenspun, Mayor C. D. Baker of the City of Las Vegas called a meeting in his office on March 26, 1952. This was attended by the Mayor, Greenspun, Soly, [redacted] and later by Lt. Governor Clifford A. Jones. Greenspun and the Mayor testified as to admissions made by Soly [redacted] relative to the fact that a telephone call from Washington had prompted the action of the gambling casinos in withdrawing the advertising (pages 3, 4, 7, 12, 13, 57, 58, 488). Soly denied making any such statements (pages 73, 74, 76, 79) and [redacted] testified no such statements were made in his presence (pages 15, 16). b6 b7C

In the perusal of the testimony there were not observed any statements for the record by Judge Foley relative to the fact that perjury had been committed. We do have, however, a copy of an article in the May 23, 1952, issue of the Las Vegas Sun which states that after the day's session opened Judge Foley scolded Greenspun for a column printed in the Sun on May 22, 1952, accusing three witnesses of perjury. This newspaper article states that Judge Foley remarked "there obviously has been perjury committed in this case, but it is the court's place and not that of any newspaper, to determine who is lying." The contradictory testimony discussed briefly herein has been abstracted under appropriate captions and quoted verbatim in considerable detail in the blank memorandum attached hereto.

Memorandum to Mr. Ladd

ACTION TO BE TAKEN

When the results of our investigation, together with the material we have been able to obtain, were transmitted to the Attorney General he was informed that if the record was not complete supplemental data would be furnished to him. As stated above, the San Francisco Office will obtain 2 printed copies of the complete record and one copy will be forwarded to the Attorney General as soon as it is received.

July 28, 1952

ALLEGED CONVERSATION BETWEEN HERMAN M.
GREENSPUN AND GUS GREENBAUM 3/19 or 20/52

Greenspun testified that in the late afternoon of March 20, 1952, he and Benjamin Binion called on Gus Greenbaum, President of the Flamingo Hotel, for the purpose of asking for a contribution to the Boy Scouts. Greenspun's testimony thereafter continues in part as follows:

"A. Mr. Binion and I asked Mr. ~~Binion~~ Greenbaum for a contribution to the Boy Scouts and we had gone there for that purpose and Mr. Greenbaum stated, 'Hank, instead of your going out and looking for contributions to the Boy Scouts, what are you trying to do to us?' I said, 'I am not trying to do anything to you.' He said 'You will ruin us.' I said, 'I don't understand, Gus, in what way?' He said, 'By attacking the Senator.' I said, 'What has that got to do with you?' He said, 'Benny, did you ever talk to him about it?' Mr. Binion says, 'Yes, I have been pleading with him for the last two days to stop it, Gus,' and Gus asked Mr. Binion if he got any calls and he said, 'They are burning up the wires' and Gus said, 'The same here.'..... He said, 'They are driving us crazy from Washington.'.....

(Pages 94, 95)

In respect to this alleged conversation Gus Greenbaum, President, Flamingo, Inc., testified in part as follows:

"Q. Now calling your attention to this meeting, I would like to ask you, Mr. Greenbaum if you made this statement: 'Hank, instead of going out and looking for contributions for the Boy Scouts, what are you trying to do to us.' Do you recall ever making that statement?"

"A. Not in that phrase, no. I made some statement to Hank but not that phraseology."

"Q. Do you recall making the statement, 'You will ruin us.'"

"A. 'No, no.'"

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ENCLOSURE.....

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"Q. Relate the conversation."

"A. I had a conversation with Mr. Greenspun prior to this, four or five days before, and I asked him, 'Why don't you stop and try to get along with everybody' and that was about the substance of the conversation.".....

"Q. What day did that conversation take place?"

"A. The 19th of March."

.....

"Q. Was Senator McCarran's name discussed at all at that meeting of the 19th?"

"A. 'No Sir.'"

(Pages 434, 436, 447)

ALLEGED MEETING MARCH 22, 1952, AT
EITHER FLAMINGO HOTEL OR DESERT INN

Greenspun testified that following the cancellation of the advertising by various gambling clubs on March 24, 1952, he proceeded to the Desert Inn in search of Moe Dalitz, one of the major owners. He said he found Dalitz on the golf course behind the Inn with [redacted]. He testified a conversation ensued (to be discussed in more detail under the caption: "Conversation between H. M. Greenspun and Moe B. Dalitz, 3/24/52") in which Dalitz allegedly mentioned a meeting at the Flamingo Hotel on or about March 22, 1952. The pertinent testimony of Greenspun in this connection is as follows:

"Q. Did you discuss with Mr. Dalitz any meetings of the representatives of the clubs?"

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"A. I did."

"Q. Who was at the meeting, did Mr. Dalitz say who was there?"

"A. Yes, he said Marion Hicks, [redacted] Gus Greenbaum, I believe he said [redacted], I wouldn't be certain."

"Q. What further facts did he state concerning the circumstances of that meeting?"

"A. He said Marion Hicks had told him that the old man had called and that he wanted them to withdraw all support from the Sun."

(Pages 67, 68, 69)

Moe B. Dalitz, Vice-President, Wilbur Clark's Desert Inn Company, gave his version of his conversation with Greenspun in the following testimony:

"Q. Mr. Dalitz, I will ask you whether you did or did not state to Mr. Greenspun that there was a meeting held at the Flamingo Hotel and the pressure was put on you by Senator McCarran to stop advertising in the Sun?"

"A. I did not."

"Q. I will ask you whether you did or did not state to Mr. Greenspun that Marion Hicks had told you that the 'old man' had called and that he wanted them to withdraw all support from the Sun."

"A. No, I did not."

"Q. I will ask you if you attended a meeting at the Flamingo Hotel where Marion Hicks or anyone else made any such statement."

"A. I did not."

"Q. I will ask you if you attended a meeting any place where anyone other than Marion Hicks made a similar statement?"

"A. I did not."

(Pages 406, 407)

Marion B. Hicks, one of the managing owners of the Thunderbird Hotel, testified as follows with respect to the above-mentioned conversation allegedly held between Greenspun and Dalitz:

"Q. Did you at any time prior to March 22, 1952, receive any communication or phone call from Senator McCarran, where he requested you to seek the resort hotels in Las Vegas and the downtown casinos in Las Vegas and see if they would withdraw their advertising from the Las Vegas Morning Sun."

"A. I did not."

"Q. Did you, either prior to March 22 or after March 22 tell anyone that Senator McCarran had contacted you and had requested that you withdraw the advertising of the Thunderbird Hotel from the Las Vegas Morning Sun?"

"A. No."

(Page 459)

CONVERSATION WITH FRED SOLY 3/24/52

Following the curtailment and in some instances the cancellation of advertising by the Las Vegas resort hotels and gambling casinos in the Las Vegas Sun, Greenspun testified that he called Fred Soly, principal owner of the Monte Carlo Club and a representative of the Downtown Gambling Association comprised of the following casinos: Golden Nugget, Frontier, California, Pioneer, Westerner, Las Vegas, Boulder and Horse Shoe. Greenspun's testimony in this regard is as follows:

"A. I called Mr. Soly. I asked him, 'What is going on, Fred?' He says, 'Please don't ask me any questions, Hank.' I said, 'Why did you cancel your advertising? Did I do something wrong?' He said, 'Hank, I can't answer any questions. You have enough friends in the gambling business, they will tell you. Please don't ask. I can't answer.'.....

(Page 45)

Fred Soly, President of the Monte Carlo Club after testifying as to his version of a meeting at the Golden Nugget at 4 A.M. on March 23, 1952, stated he called the Sun and informed of the decision of the group which he represented, namely, the Downtown Gambling Association, to curtail its advertising. He testified that on the afternoon of March 24, 1952, he received a call from Greenspun and his version of the conversation which ensued is as follows:

"A.He called me sometime in the afternoon, I would say about 3 o'clock and said, 'What's going on, Fred?' and I said, 'What do you mean?' He said, 'Why did you cancel the downtown ad?' I said, 'I didn't cancel it, I reduced it according to the decision that was reached in the meeting,' and then he said, 'Why did you cancel the Monte Carlo Club ad?' I said, 'Because I didn't want it.'

.....

"Q. Didn't you, on that occasion, say to Mr. Greenspun, 'Don't ask me Hank, I can't answer you. You have plenty of friends among the gambling business, they will tell you!'"

"A. 'No, I did not,'"

CONVERSATION BETWEEN H. M. GREENSPUN
AND MOE B. DALITZ, 3/24/52

After the telephone conversation with Fred Soly in which Soly is alleged to have suggested to Greenspun that he obtain information from others, Greenspun said he drove to the Desert Inn where he found Moe Dalitz, the President of this casino, on the golf course with [redacted]. A part of this alleged conversation with Dalitz concerning an earlier meeting at either the Flamingo Hotel or the Desert Inn on March 22, 1952, has been discussed previously. The other matters deemed pertinent which were discussed at the meeting on March 24, 1952, on the golf course according to Greenspun's testimony were the following:

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"A. I went out on the golf course, which is directly behind the hotel. I drove over to where Mr. Dalitz was standing and [redacted] got out of the car and as Mr. Dalitz saw me he grabbed himself by the head. I said, 'What is going on, Moe?' He said, 'Looks like all hell broke loose.' I said, 'Why?' He said, 'Why did you have to attack the old man?'"

"Q. Did you continue with that conversation?"

"A. I said, 'What is behind it, Moe?' He said, 'Why did you have to attack the old man?' I said, 'What business is that of the hotel?....' He said, 'I know but you put me in a terrible position.' I said, 'What position did I put you in? Why did it affect you?' He said, 'You know as well as I do that we have to do what he tells us.' I said, 'I don't know why you have to do what he tells you, that is what I don't understand.' He said, 'You know he got us our licenses.' He says, 'If we don't go along you know what is going to happen to us.'....

"Q. Do you know to what licenses he referred?"

"A. Gambling license for the Desert Inn."

(Pages 47, 48, 49)

Mr. Moe B. Dalitz testified as to his recollection of the conversation with Greenspun on March 24, 1952, on the golf course behind the Desert Inn. He said he was playing golf with

[redacted] but that they had walked off to one side and were not present during his conversation with Greenspun. Dalitz' testimony is quoted in part as follows:

"Q. Mr. Dalitz, I will ask you when Mr. Greenspun first approached you whether you stated: 'It looks like all hell broke loose. Why did you have to attack the old man?' Did you or did you not make such a statement?"

"A. I did not."

"Q. Did you, or did you not, on referring to Senator McCarran, state to Mr. Greenspun, 'You know as well as I do that we have to do what he tells us?'"

"A. I did not."

"Q. Did you, or did you not referring again to Senator McCarran, state to Mr. Greenspun, 'You know he got us our licenses. If we don't go along, you know what is going to happen to us?'"

"A. I did not.

.....

"Q. Did you ask Senator McCarran for assistance in connection with obtaining your state gambling license?"

"A. No."

(Pages 404, 405, 406)

MEETING IN THE MAYOR'S OFFICE 3/26/52

It appears from the testimony that following the curtailment and cancellation of the advertising by the resort hotels and the gambling casinos in the Las Vegas Sun on March 24, 1952, Greenspun wrote a column in his paper discussing the joint action of these clubs and commenting upon the freedom of the press. Thereafter Mr. C. D. Baker, Mayor of the City of Las Vegas called a meeting in his office on March 26, 1952, which was attended by Fred Soly, President of the Monte Carlo Club, [redacted] of the Boulder Club, and H. M. Greenspun. b6
Sometime after the meeting got underway, Lt. Governor Clifford A. [redacted] b7C Toncs of the State of Nevada and who has interests in one or more